

UNITED NATIONS



NATIONS UNIES

OFFICE OF INTERNAL OVERSIGHT SERVICES  
INTERNAL AUDIT DIVISION

Ref No. AUD-7-1:32: (OBS 2/01)

6 November, 2001

Assignment No. AF2001/30/5

To: Mr. John Chien, CAO  
UNOHCI, BaghdadFrom: Gloria D. Jose, Resident Auditor  
UNOHCI, Baghdad  
Internal Audit Division  
Office of Internal Oversight ServicesSubject: OIOS Resident Audit of UNOHCI Medical Services Unit - AF/2001/30/5

The recommendations set out below are submitted for your consideration. Please comment on them and where appropriate, specify the corrective action taken or provide a planned implementation schedule. When commenting please refer to the Assignment No. listed above and to the recommendation number in parenthesis in order to facilitate monitoring of its status (timely response, acceptance, implementation). Please reply by 30 November 2001.

***Audit Observations and Recommendations***

1. We reviewed the various activities at the Medical Services Unit of UNOHCI in Baghdad and found the following deficiencies in the internal controls.

Medical Consultations

2. The Medical Services Unit of UNOHCI is serving all the agencies under the 986 programme including contractors for oil inspection and goods inspection. The Medical Unit has two doctors, nurses and laboratory staff.

We recommend that:

UNOHCI Medical Services Unit bill non-UN staff members for services rendered/conducted and for cost of medicines issued. (Rec.# AF/2001/30/5/101)

Record-keeping

3. Section 10.3 of ST/AI/2000/10 requires written record to be kept by head of office for each medical evacuation setting out information, among others, authorized place of evacuation, actual

place of evacuation and the total cost of the medical evacuation, including travel expenses, subsistence allowance and medical costs. Further, Section 10.4 requires the submission of the foregoing statistics to the UN Medical Director on a quarterly basis.

4. The Medical Service Unit maintains individual files for each medical evacuation case, however, it does not contain information on total cost of each medical evacuation. The information on payment/s made in relation to medical evacuation are available in Finance Section. The report submitted by the Medical Services Unit does not include all the necessary details required under the Circular.

We recommend that:

UNOHCI identify the proper section to compile the necessary information to comply with the requirement of submission of statistics on medical evacuation on a quarterly basis. (Rec. # AF/2001/30/5/102)

#### Other Issues

##### Payment of Retained Accommodation in cases of Certified Sick Leave Outside the Mission Area

5. A case has been brought to our attention of a payment made for retained accommodation for the period a staff member was on a certified sick leave outside the mission area. Pertinent provision of ST/AI/1997/6 dealing with payment of mission subsistence allowance while on sick leave or maternity leave is quoted as follows:

“8.3 Mission subsistence allowance shall not be payable when a staff member is hospitalized or on sick leave outside mission area. However, in case of hospitalization, and in case of maternity leave outside the mission area, the United Nations shall pay for retained accommodation subject to submission of supporting documentation and up to 50 per cent of the mission subsistence allowance rate.”

6. The staff member was on certified sick leave outside the mission area from 23 December 2000 to 31 May 2001. In June 2001, he was paid retained accommodation for the five-month period January 1 to May 31, 2001 for a total amount of \$4,500 and ID600,000 with a total amount of \$4,833.33. The bases of payment were the bill from the Carthage suite hotel and a copy of the same bill with a company stamp bearing Servese Apart. & Restaurant with the word written in ink “received” on it. Having realized that the supporting documentation for the payment was incomplete, the Approving Officer asked the concerned staff member to submit evidence of hospitalization for the period claimed for retained accommodation in October 2001. The staff member concerned replied that the medical records were all submitted to UN Medical Services Division in NY. In reply to the e-mail sent by the Approving Officer to the Resident Auditor (RA), the latter advised for the Approving Officer to write officially to UN Medical Services Division for the latter to confirm periods of hospitalization. Considering that the mandate of UNOHCI is ending on 31 December 2001, the RA recommended for the recovery of the overpayment spread on the remaining months before end of mandate. The Approving Officer has under DV 1130-10279

initiated recovery of the amount inadvertently paid, in the absence of supporting documents on hospitalization.

We recommend that:

UNOHCI Approving Officers be more careful in reviewing claims and to abide strictly with the rules, regulations and issuances applied consistently to all staff members. (Rec. # AF/2001/30/5/103)

#### Provision of Ambulance to UNDP Clinic

7. In a memorandum of understanding (MOU) between UNOHCI and UNDP, it was agreed for the former to provide an ambulance to be stationed at UNDP, Baghdad. It also provided that UNOHCI shall be responsible for the operational costs of the ambulance, including the driver's wages and maintenance of the vehicle, which shall be coordinated by the UNOHCI Transport Section. This MOU took effect in July 2000.

8. Considering the locations of the two offices, the administrative arrangements for the maintenance of the ambulance and provision of a driver from UNOHCI, we find that the parking of the ambulance in UNDP is of little use. The driver is sitting in UNOHCI and has to go to UNDP everyday to warm up the engine of the ambulance. When there is a need for the ambulance, the driver in UNOHCI is called to report to UNDP. We do not see the justification of having an ambulance stationed at UNDP and operating as it is currently. We note that the ambulance, wherever stationed, can be used by UNDP at any time.

We recommend that:

UNOHCI revisit the MOU with UNDP and review the necessity of having the UNOHCI ambulance stationed at UNDP. Furthermore, the ambulance should be stationed at UNOHCI for consolidation of UNOHCI property and for proper maintenance. (Rec. # AF/2001/30/5/104)

#### Inventory of Medicines

9. The Medical Services Unit maintains an inventory of medicines and stock cards. However, the stock cards are not kept properly. The only columns in the stock card are date and running balance. It does not account to whom it was issued to, reference numbers for receipts and issue vouchers. The stock card should be able to provide information on receipts, issuances and running balances without referring to other records. A physical count of medicines should be undertaken at least annually and checked to the stock cards.

10. We have requested a summary of medicines distributed to staff members by agency in order to evaluate the requirements of the Unit. However, the Unit was not able to provide this information since it is maintained in the staff members' files. With the proper maintenance of the stock cards and use of an inventory system, important information for proper management of the inventory can

be easily retrieved. The requirements of the Unit should be commensurate with the present number of staff members and inventory on stock. We feel that the Unit has overstocking in some medical inventory items.

We recommend that:

UNOHCI develop an inventory system in order to keep track of the movements of stock and enable management to properly manage the Unit.(Rec.# AF/2001/30/5/105)

CC: Mr. Tun Myat, HCI  
Medical Unit